



NEWS RELEASE



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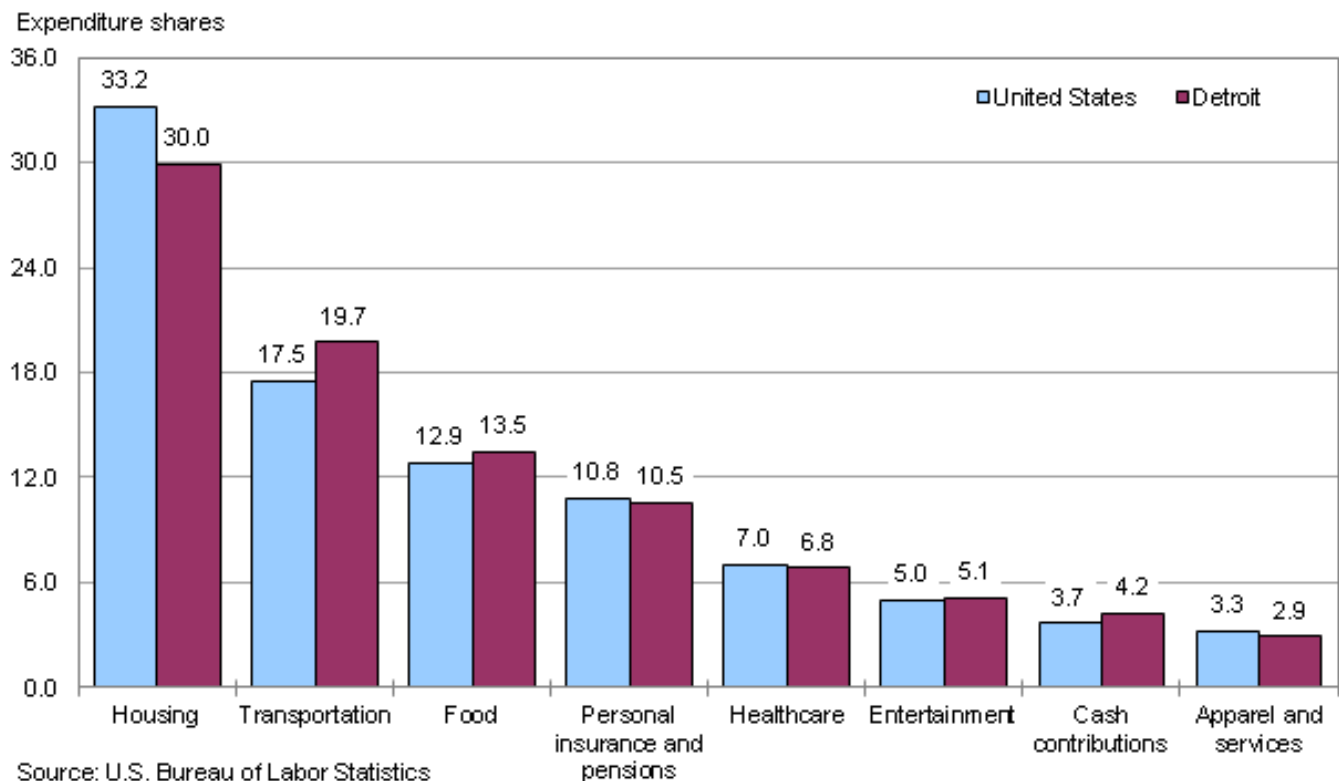
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Consumer Expenditures for the Detroit Metropolitan Area: 2012-2013

Consumer units in the Detroit-Ann Arbor-Flint, Mich., metropolitan area spent an average of \$53,835 per year in 2012-2013, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Charlene Peiffer noted that this figure was similar to the \$51,299 average expenditure level for a typical household in the United States. Detroit area households also allocated their dollars similarly among most of the eight major categories with only two differing significantly from the U.S. average. For example, the share of expenditures for transportation, which accounted for 19.7 percent of a typical household's budget in the Detroit area, was significantly more than the nationwide average of 17.5 percent. (See [chart 1](#) and [table 1](#).)

Chart 1. Percent distribution of average annual expenditures for eight major categories in the United States and Detroit metropolitan area, 2012-2013



Housing in the Detroit metropolitan area averaged \$16,130 annually and was the largest expenditure category, accounting for 30 percent of a Detroit area household's total budget. (See [tables 1 and 2](#).) This share was significantly below the 33.2-percent national average. Overall, 8 of the 18 published metropolitan areas had expenditure shares for housing significantly above the U.S. average. In contrast, Detroit was the only metropolitan area whose share for housing was significantly below the U.S. average. (See [table 3](#) and [chart 2](#).) Housing expenditures among the 18 areas ranged from 39.9 percent in Miami to 30 percent in Detroit. (See [table 3](#).)

The majority of housing expenditures in Detroit went toward shelter, 55.2 percent, which includes mortgage interest, property taxes, repairs, and rent, among other items; nationwide, 58.6 percent of the housing budget was allocated for shelter. (See [table A](#).) Utilities, fuels, and public services expenses accounted for 23.4 percent of the housing budget locally; nationally, it made up 21.7 percent. The rate of homeownership in Detroit was 71 percent, compared to the U.S. average of 64 percent.

Table A. Percent distribution of housing expenditures, United States and Detroit, 2012-13

Category	United States	Detroit
Total housing	100.0	100.0
Shelter	58.6	55.2
Utilities, fuels, and public services	21.7	23.4
Household operations	6.8	7.4
Housekeeping supplies	3.7	4.1

Table A. Percent distribution of housing expenditures, United States and Detroit, 2012-13 - Continued

Category	United States	Detroit
Household furnishings and equipment	9.2	10.0

Note: Columns may not add to 100 due to rounding.

At 19.7 percent of the total budget, transportation was the second-largest expenditure category in the Detroit area and was significantly above the national average of 17.5 percent. Among the 18 published metropolitan areas nationwide, 6 had below-average transportation shares. Two areas, Detroit and Houston, had shares that were significantly above the national average at 21.0 and 19.7 percent, respectively. (See [chart 3.](#))

Of the \$10,623 in annual expenditures for transportation in Detroit, 94.7 percent was spent buying and maintaining private vehicles; this compared to the national average of 94 percent. The remaining 5.3 percent of a Detroit household's transportation budget was spent on public transit, which includes fares for taxis, buses, trains, and planes, compared to the 6.0 percent average for the nation. (See [table B.](#)) The average number of vehicles per household in Detroit was 2.1 while the national average was 1.9.

Table B. Percent distribution of transportation expenditures, United States and Detroit, 2012-13

Category	United States	Detroit
Transportation	100.0	100.0
Vehicle purchases (net outlays).....	36.0	34.2
Gasoline and motor oil.....	29.8	28.9
Other vehicle expenses	28.2	31.7
Public transportation	6.0	5.3

Note: Columns may not add to 100 due to rounding.

The portion of a Detroit consumer unit's budget spent on food, 13.5 percent, was not significantly different from the 12.9-percent U.S. average. Among the 18 metropolitan areas, 6 had food expenditure shares that were significantly below the nationwide average. (See [table 3.](#))

Households in Detroit spent \$4,534 or 62.4 percent, of their food dollars on food prepared at home and the remaining 37.6 percent (\$2,735) on food prepared away from home, such as restaurant meals, carry-out, board at school, and catered affairs. In comparison, the typical U.S. household spent 59.8 percent of its food budget on food prepared at home and 40.2 percent on food prepared away from home.

As noted, Detroit is 1 of 18 metropolitan areas nationwide for which Consumer Expenditure Survey (CE) data are available. Metropolitan area CE data and that for the four geographic regions of the United States are available on our Web site at <http://www.bls.gov/cex/tables.htm>. Metropolitan area CE news releases are available at <http://www.bls.gov/regions/subjects/consumer-spending.htm>.

Additional Information

Data contained in this release are from the CE, which is conducted on an ongoing basis by the U.S. Census Bureau for the BLS. The CE data in this release were averaged over a two-year period, 2012 and 2013. CE data are available for the nation, the 4 geographic regions of the country, and 18 metropolitan

areas. The metropolitan area discussed in this release is Detroit-Ann-Arbor-Flint, Mich., which is comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

The survey consists of two components, a diary or recordkeeping survey, and an interview survey. The integrated data from the BLS Diary and Interview Surveys provide a complete accounting of consumer expenditures and income, which neither survey component alone is designed to do. Due to changes in the survey sample frame, metropolitan area data in this release are not directly comparable to those prior to 1996.

A consumer unit is defined as members of a household related by blood, marriage, adoption, or other legal arrangement; a single person living alone or sharing a household with others but who is financially independent; or two or more persons living together who share responsibility for at least 2 out of 3 major types of expenses – food, housing, and other expenses. The terms household or consumer unit are used interchangeably for convenience.

CE metropolitan area estimates are not comparative cost of living surveys, as neither the quantity nor the quality of goods and services has been held constant among areas. Differences may result from variations in demographic characteristics such as consumer unit size, age, preferences, income levels, etc. However, expenditure shares, or the percentage of a consumer unit's budget spent on a particular category, can be used to compare spending patterns across areas. Sample sizes for the metropolitan areas are much smaller than for the nation, so the U.S. estimates and year-to-year changes are more reliable than those for the metropolitan areas. Users should also keep in mind that prices for many goods and services have changed since the survey was conducted.

Expenditure shares for housing and transportation that are above or below that for the nation after testing for significance at the 95-percent confidence interval are also identified in charts 2 and 3 for the 18 metropolitan areas surveyed.

A value that is statistically different from another does not necessarily mean that the difference has economic or practical significance. Statistical significance is concerned with our ability to make confident statements about a universe based on a sample. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested.

For additional technical and related information, see www.bls.gov/opub/hom/homch16.htm.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 800-877-8339

Table 1. Percent distribution of average annual expenditures, United States and Detroit-Ann Arbor, Consumer Expenditure Survey, 2012-2013

Category	United States	Detroit
Average annual expenditures.....	\$51,299	\$53,835
Percent distribution:.....	100.0	100.0
Food.....	12.9	13.5
Alcoholic beverages.....	0.9	0.9
Housing.....	33.2	30.0*
Apparel and services.....	3.3	2.9
Transportation.....	17.5	19.7*
Health care.....	7.0	6.8
Entertainment.....	5.0	5.1
Personal care products and services.....	1.2	1.3
Reading.....	0.2	0.3
Education.....	2.3	2.1
Tobacco products and smoking supplies.....	0.6	0.8*
Miscellaneous.....	1.4	1.8
Cash contributions.....	3.7	4.2
Personal insurance and pensions.....	10.8	10.5

Note: *Statistically significant difference from the U.S. average at the 95-percent confidence level.

Note: Numbers may not add to 100 due to rounding.

Table 2. Average annual expenditures and characteristics, United States and Detroit-Ann Arbor-Flint, Consumer Expenditure Survey, 2012-2013

Category	United States	Detroit
Consumer unit characteristics:		
Income before taxes.....	\$64,686	\$81,213
Age of reference person.....	50.1	51.6
Average number in consumer unit:.....		
Persons	2.5	2.4
Children under 18.....	0.6	0.5
Persons 65 and over	0.3	0.4
Earners.....	1.3	1.2
Vehicles	1.9	2.1
Percent homeowners	64	71
Average annual expenditures.....	\$51,299	\$53,835
Food.....	6,600	7,268
Food at home	3,949	4,534
Cereals and bakery products	541	618
Meats, poultry, fish, and eggs.....	854	901
Dairy products	416	423
Fruits and vegetables	741	844
Other food at home	1,397	1,748
Food away from home	2,651	2,735
Alcoholic beverages.....	448	482
Housing.....	17,030	16,130
Shelter.....	9,986	8,900
Owned dwellings	6,082	5,920
Rented dwellings	3,255	2,142
Other lodging	649	839
Utilities, fuels, and public services	3,693	3,768
Household operations	1,152	1,197
Housekeeping supplies.....	627	659
Household furnishings and equipment.....	1,571	1,606
Apparel and services	1,677	1,566
Transportation.....	9,001	10,623
Vehicle purchases (net outlay).....	3,241	3,629
Gasoline and motor oil	2,683	3,067
Other vehicle expenses	2,537	3,368
Public transportation	540	559
Healthcare	3,594	3,675
Entertainment	2,553	2,767

Note: See footnotes at end of table.

Table 2. Average annual expenditures and characteristics, United States and Detroit-Ann Arbor-Flint, Consumer Expenditure Survey, 2012-2013 - Continued

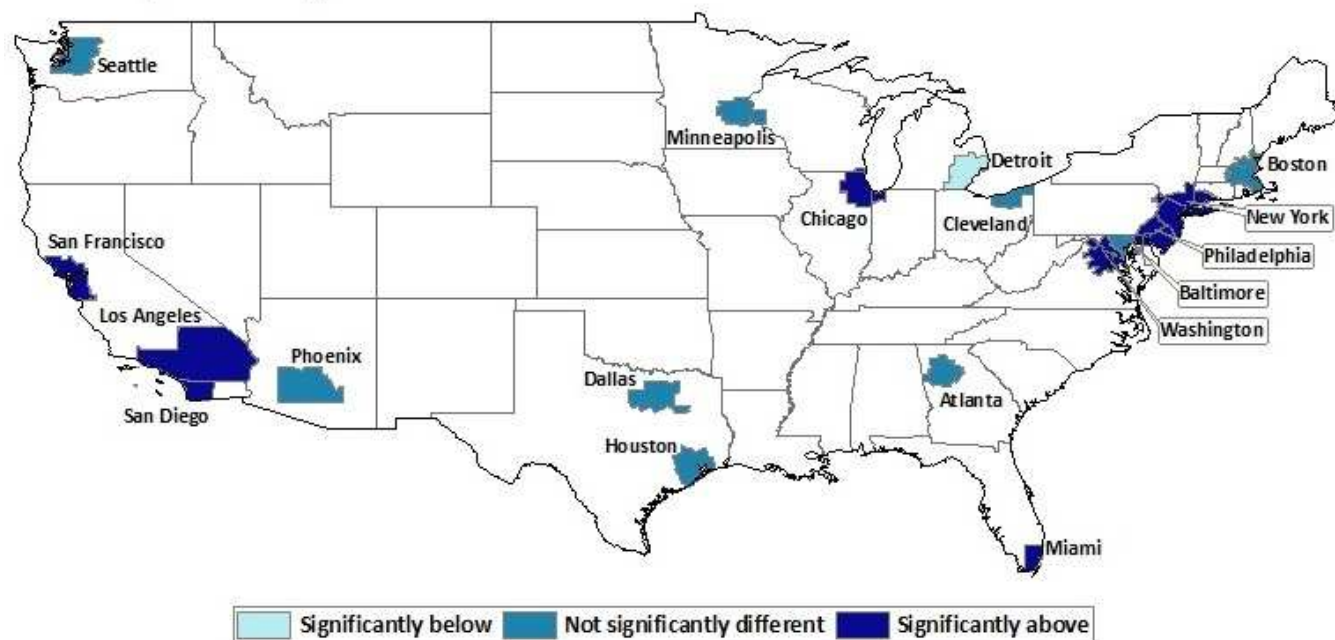
Category	United States	Detroit
Personal care products and services.....	618	697
Reading	106	137
Education.....	1,172	1,136
Tobacco products and smoking supplies	331	435
Miscellaneous	736	983
Cash contributions	1,873	2,262
Personal insurance and pensions.....	5,559	5,674
Life and other personal insurance.....	336	238
Pensions and Social Security	5,224	5,436

Table 3. Percent share of average annual expenditures for housing, transportation, and food, United States and 18 metropolitan areas, Consumer Expenditure Survey, 2012-2013

Area	Housing	Transportation	Food
United States	33.2	17.5	12.9
Atlanta	33.4	17.1	12.6
Baltimore	32.5	15.5	11.0*
Boston	32.6	15.6*	13.3
Chicago	35.4*	15.6*	12.7
Cleveland	31.6	18.2	12.8
Dallas	33.5	17.9	12.6
Detroit	30.0*	19.7*	13.5
Houston	33.1	21.0*	12.0
Los Angeles	38.2*	15.4*	13.4
Miami	39.9*	16.2	14.0
Minneapolis	32.0	18.3	11.3*
New York	39.8*	13.5*	11.9*
Philadelphia	35.4*	15.4*	13.7
Phoenix	34.8	18.9	13.6
San Diego	38.2*	15.8	11.5*
San Francisco	35.8*	13.7*	11.9*
Seattle	33.4	15.6	13.0
Washington	35.3	16.7	10.9*

*Statistically significant difference from the U.S. average at the 95-percent confidence level.

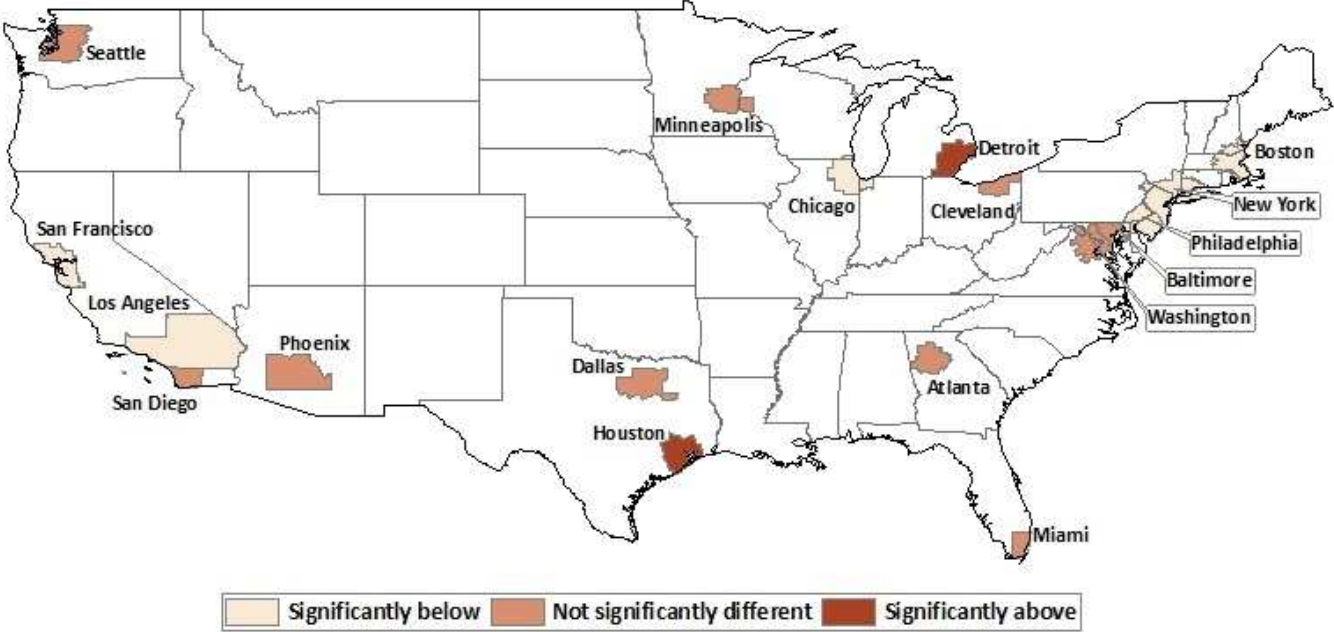
Chart 2. Expenditure shares spent on housing in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2012-2013



Note: Statistical significance testing at the 95-percent confidence interval.

Source: U.S. Bureau of Labor Statistics.

Chart 3. Expenditure shares spent on transportation in 18 metropolitan statistical areas compared to the U.S. average, Consumer Expenditure Survey, 2012-2013



Note: Statistical significance testing at the 95-percent confidence interval.
Source: U.S. Bureau of Labor Statistics.